

300 New Jersey Avenue, NW Suite 700 Washington, DC 20001 www.comcastcorporation.com

Lynn R. Charytan
EVP & General Counsel
Comcast Cable
SVP & Sr. Deputy General Counsel
Comcast Corporation

February 28, 2017

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal Inc. for Consent to Assign Licenses and Transfer Control of Licensees, MB Docket No. 10-56

Dear Ms. Dortch:

In accordance with the provisions of the Memorandum Opinion and Order adopted in the above-referenced proceeding, ¹ Comcast Corporation, for itself and on behalf of NBCUniversal Media, LLC (collectively, the "Company"), hereby submits its Sixth Annual Report of Compliance with Transaction Conditions. This report summarizes the steps the Company has taken across its various business units to comply with each of the Conditions in Appendix A of the *Transaction Order*. A copy of this report will be available at http://corporate.comcast.com/news-information/nbcuniversal-transaction.

Please do not hesitate to contact me should you have any questions.

Sincerely yours,

Lynn R. Charytan

EVP & General Counsel

Comcast Cable

SVP & Senior Deputy General Counsel

Comcast Corporation

1

¹ Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) ("Transaction Order").

Ms. Marlene H. Dortch February 28, 2017 Page 2

Enclosure

cc (by e-mail): Brendan Holland

Chief, Industry Analysis Division

Enforcement Bureau Brenda.Holland@fcc.gov

Jeffrey Gee

Chief, Investigations & Hearings Division

Enforcement Bureau Jeffrey.Gee@fcc.gov

Jessica Campbell

Industry Analysis Division

Media Bureau

Jessica.Campbell@fcc.gov

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC

In the Matter of)	
)	
Applications of Comcast Corporation,)	
General Electric Company,)	MB Docket No. 10-56
and NBC Universal, Inc.)	
)	
For Consent to Assign Licenses and)	
Transfer Control of Licensees)	

SIXTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS

Comcast Corporation NBCUniversal Media, LLC

300 New Jersey Avenue, NW Suite 700 Washington, DC 20001 (202) 379-7121

TABLE OF CONTENTS

	Pt	ige
COME	PLIANCE WITH SPECIFIC CONDITIONS	1
001/11		
I.	DEFINITIONS	2
II.	ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING	
III.	CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING	2
	1. Non-Discriminatory Carriage	
	2. Neighborhooding	
	3. New Independent Networks	3
	4. Program Carriage Complaints	
IV.	ONLINE CONDITIONS	
A.	Online Program Access Requirements and Procedures	3
	Exclusivity/Windowing	
	Continued Access to Online Content and Hulu	
	1. Continued Programming on NBC.com	4
	2. Preexisting OVD Deals	
	3. Provision of Content to Hulu	
	4. Relinquishment of Control over Hulu	5
D.		
	1. Provision of Standalone BIAS	5
	2. Visibly Offer and Actively Market Retail Standalone BIAS	5
	3. BIAS Annual Report	
E.	Other BIAS Conditions	6
	1-2.Specialized Service Requirements	6
	3. 12 Mbps Offering	6
F.	"Specialized Service" on Comcast Set-Top Boxes ("STBs")	6
G.	Unfair Practices	6
V.	NOTICE OF CONDITIONS	7
VI.	REPLACEMENT OF PRIOR CONDITIONS	7
VII.	COMMERCIAL ARBITRATION REMEDY	7
VIII.	MODIFICATION TO THE AAA RULES FOR ARBITRATION	7
IX.	BROADCAST CONDITIONS	
X.	DIVERSITY CONDITIONS	8
	1. Telemundo Multicast Channel	9
	2-3. Telemundo and mun2 Programming on VOD and Online	9
	4. New Weekly Business Program	
	5. Independent Programming Reports	.10
XI.	LOCALISM	
	1. News, Public Affairs, and Other Local Public Interest Programming	.10
	a. Preservation of Current Levels of NBC and Telemundo News and Information	
	Programming	
	b. Increased Investment in NBC Local News	10
	c. Increased Investment in Telemundo Local News	.11

TABLE OF CONTENTS

		Page
	2-3. 1,000 Hours of Additional Local News and Information Programming	
	a. NBC Owned Television Stations	11
	b. Telemundo Station Group	11
	4. News and Information Programming Reports	11
	5. Non-Profit News Partners	11
	6. More VOD Choices at No Additional Charge	11
	7. Broadcast Content on VOD	
XII.	JOURNALISTIC INDEPENDENCE	12
XIII.	CHILDREN'S PROGRAMMING	12
	1. Additional Children's VOD and E/I Programming	12
	2. Ratings Icons and Parental Controls	
	a. Improved Ratings Icons	
	b. Improved Parental Controls	
	c. Parental Dashboard	
	d. Blocking Capabilities of IP-based STBs	13
	e. Online Ratings Icons	
	3. Partnership with Common Sense Media ("CSM")	
	4-5.Interactive Advertising	
	6. PSAs	14
XIV.	PEG CONDITIONS	14
	1. No Migration to Digital Delivery	14
	2. PEG Carriage on Digital Starter	
	3. Quality of PEG Delivery	14
	4. PEG Pilot Program	14
XV.	NCE AND LOCAL NCE	14
XVI.	BROADBAND DEPLOYMENT AND ADOPTION	15
	1. Broadband Footprint Expansion	
	a. 1,500-mile Expansion	
	b. Internet Service Upgrades to Rural Communities	
	c. Additional Courtesy Accounts	
	2. Broadband Adoption – <i>Internet Essentials</i> , the Comcast Broadband Opportuni	
	Program	•
XVII.	GENERAL	
VIII.	VIOLATIONS	
XIX.	REPORTING REQUIREMENTS	
XX.	TERM	

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC

In the Matter of)	
)	
Applications of Comcast Corporation,)	
General Electric Company,)	MB Docket No. 10-56
and NBC Universal, Inc.)	
)	
For Consent to Assign Licenses and)	
Transfer Control of Licensees)	

February 28, 2017

SIXTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS

Comcast Corporation ("Comcast"), for itself and on behalf of NBCUniversal Media, LLC ("NBCUniversal") (and collectively, the "Company"), submits its sixth annual report regarding the Company's compliance with the conditions set forth in Appendix A (the "Conditions") of the *Transaction Order*¹ for the period of January 29, 2016 through January 28, 2017 (the "Reporting Period"). In accordance with Condition XIX of the *Transaction Order*, a copy of this report is available as of today on the Corporate Website.²

This report is organized to correspond with each section of the Conditions. Where a particular section is definitional only or otherwise does not include directives requiring or prohibiting certain conduct, this report nonetheless includes a reference for completeness.

As previously reported, transaction compliance is led by David L. Cohen, Comcast Corporation's Senior Executive Vice President, and supported by dedicated Transaction Compliance Teams at both Comcast and NBCUniversal. The teams collaborate to ensure consistency in compliance methods, interpretation, and oversight across the Company's numerous business units, train relevant personnel, and review any transaction that may implicate

Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc., for Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by the Erratum released on March 9, 2011). Capitalized terms have the meaning ascribed herein and do not necessarily conform to the terms or definitions used in the *Transaction Order*.

² See http://corporate.com/ast.com/news-information/nbcuniversal-transaction ("Corporate Website").

the Conditions. The Company also operates an enterprise-wide database to track compliance with each of the Conditions.

COMPLIANCE WITH SPECIFIC CONDITIONS

I. **DEFINITIONS**

Provision defining the terms used in the Conditions: This section is definitional only.

II. ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING

Provision establishing that multichannel video programming distributors ("MVPDs") may submit program access disputes to commercial arbitration: NBCUniversal remains committed to good faith commercial negotiations designed to make its programming available to MVPDs at a mutually acceptable price, and on mutually acceptable terms and conditions. As previously reported, NBCUniversal received its first arbitration demand from an MVPD relating to a dispute over the terms of carriage. The case has been settled and the affected programming continues to be carried.

III. CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING

1. Non-Discriminatory Carriage

Prohibition on the Company discriminating in video programming distribution on the basis of affiliation or non-affiliation: Compliance with the program carriage requirements is integrated into the Company's day-to-day business and guides its carriage decisions; this is also an area of focus for the Comcast Transaction Compliance Team. On April 8, 2016, Liberman Broadcasting, Inc. ("LBI") filed a program carriage complaint alleging that Comcast had violated Section 616 of the Communications Act and the conditions of the Transaction Order by not carrying LBI's Spanish-language broadcast channel, EstrellaTV, on the same terms as Comcast's affiliated Spanish-language networks, Telemundo and NBC Universo. The Media Bureau dismissed the complaint, finding that a broadcast television station is not a "video programming vendor" with standing to bring a program carriage complaint under the Section 616 carriage complaint process, the Commission's rules, or the Transaction Order.³

Comcast continued to demonstrate its commitment to the distribution of unaffiliated programming by launching new independent networks and substantially expanding the distribution of several existing independent networks owned by or focused on diverse audiences. Comcast carries over 160 independent networks, including many small, diverse, and international ones, and six of every seven networks carried by Comcast are unaffiliated with the Company.

_

³ *Liberman Broadcasting, Inc. v. Comcast Corp.*, MB Docket No. 16-121, Memorandum Opinion and Order, DA 16-972 (rel. Aug. 26, 2016). LBI filed a petition for reconsideration with the Media Bureau, and that petition is currently pending.

2. Neighborhooding

Requirement that independent news channels be included if Comcast creates news neighborhoods: As previously reported, Comcast has fully repositioned Bloomberg Television in all relevant markets in accordance with the Commission's order in *Bloomberg L.P. v. Comcast Cable Communications, LLC*, MB Docket No. 11-104, Memorandum Opinion and Order (rel. Sep. 26, 2013). The Company has received no other neighborhooding requests.

3. New Independent Networks

Requirement to launch 10 new independently owned or operated networks within eight years, eight of which are to be minority owned or controlled: Since the NBCUniversal transaction, Comcast has successfully launched over 20 independent networks,⁴ doubling the number of independent network launches that it committed to as part of the Transaction. Six of those networks were launched as a result of a public request for channels that satisfied the criteria established in several agreements between Comcast and leading diversity organizations: two African American majority owned networks (ASPiRE and REVOLT), two Hispanic American operated networks (Baby First Americas and El Rey), and two substantially Hispanic American owned networks (Kids Central and Primo TV). The Company announced that it is accepting proposals for two majority or substantially owned African American independent networks that it will launch in select Comcast markets by January 2019.⁵

4. Program Carriage Complaints

Procedure for bringing carriage complaints: This section is administrative in nature.

IV. ONLINE CONDITIONS

A. Online Program Access Requirements and Procedures

Provision setting forth program access requirements that obligate the Company to provide its programming for online display by third parties in certain circumstances: Agreements with online video distributors ("OVDs") continue to be a regular part of the Company's program licensing business, as they were before the Transaction. NBCUniversal entered into or renewed agreements with several OVDs during the Reporting Period, including

⁴ "Independent network" as used here means a network that is not an affiliate of Comcast or of another top-15 programming network owner, as measured by annual revenues. *See* Transaction Order, App. A, § III.3.

Press Release, Comcast Cable Accepting Proposals for Two New African American Owned Independent Networks, http://corporate.comcast.com/news-information/news-feed/comcast-cable-accepting-proposals-for-two-new-african-american-owned-independent-networks (Dec. 15, 2016).

deals with Amazon, Hulu,⁶ Netflix, and others, as well as deals with multiple MVPDs that include access to linear channels across multiple platforms. In addition, NBCUniversal has entered into or renewed agreements for carriage of its broadcast stations and linear programming services on PlayStation Vue, Sling TV, and DIRECTV Now, as well as the announced fuboTV service.⁷ Separate from these content distribution deals, NBCUniversal produced original programming for OVDs, including Netflix, Hulu, and Snapchat.⁸

As previously reported, the applications for review in the Project Concord arbitration remain pending, ⁹ as does the application for review filed by several content companies challenging the Media Bureau's clarification that OVDs invoking the Benchmark Condition must disclose the terms of the comparable peer agreements to NBCUniversal's outside counsel and consultants to the extent necessary to enable NBCUniversal to carry out its obligations under the Condition. ¹⁰

B. Exclusivity/Windowing

Restriction on the Company's ability to enter into or enforce provisions designed to limit online video distribution, except in certain circumstances: The Company carefully reviews proposals to limit online display of video programming, whether in carriage or licensing agreements, to ensure compliance with this Condition. The Company believes that its approach positions it as the most "online friendly" programmer and MVPD in the industry.

C. Continued Access to Online Content and Hulu

1. Continued Programming on NBC.com

Requirement to continue to provide equivalent programming on NBC.com on equivalent terms and conditions: During the Reporting Period, NBC.com maintained programming of the

-4-

⁶ Press Release, Hulu and Universal Ink Groundbreaking Deal for Curious George TV, https://www.hulu.com/press/posts/hulu-and-universal-ink-groundbreaking-deal-for-curious-george-tv (Mar. 17, 2016).

⁷ G. Szalai, Sports-Centric Video Streamer fuboTV Adds Fox, NBCUniversal, A+E Channels, The Hollywood Reporter, http://www.hollywoodreporter.com/news/fubotv-adds-fox-nbcuniversal-a-e-channels-955777 (Dec. 14, 2016).

⁸ S. Perez, NBCUniversal is Bringing Mini TV Shows to Snapchat, TechCrunch, https://techcrunch.com/2016/08/08/nbcuniversal-is-bringing-mini-tv-shows-to-snapchat/ (Aug. 8, 2016).

⁹ In the Matter of Arbitration between Project Concord, Inc. v. NBCUniversal Media, LLC, MB Docket No. 10-56, Project Concord, Inc.'s Application for Review (filed Dec. 13, 2012); NBCUniversal Media LLC's Application for Review (filed Dec. 13, 2012).

¹⁰ MB Docket No. 10-56, Order (rel. Dec. 4, 2012).

equivalent type, quantity, and quality as provided by the site on the date of the *Transaction Order*, and on equivalent terms and conditions.

2. Preexisting OVD Deals

Obligation to honor any agreement or arrangement entered into before the date of the Transaction Order providing rights to online video programming: Preexisting licenses for online display of programming continue to be honored until the close of their existing terms, absent material breach by the licensee.

3. Provision of Content to Hulu

Requirement that NBCUniversal renew its agreements with Hulu on substantially the same terms and conditions as the other two content partners (Disney-ABC Television Group and Fox Entertainment Group): The parties' interactions in this regard have been conducted in accordance with the provisions of this Condition.

4. Relinquishment of Control over Hulu

Obligation to convert NBCUniversal's interest in Hulu to one that is purely economic: As previously reported, this obligation has been completed.

D. Standalone Broadband Internet Access Service ("BIAS")

1. Provision of Standalone BIAS

Requirement to provide BIAS on a standalone basis and to offer a new 6 Mbps down service at no more than \$49.95 per month: Comcast continues to offer, on a standalone basis and at reasonable prices, any tiers of BIAS that it offers on a bundled or multi-product basis. Comcast also offers its "Performance Starter" tier, a standalone BIAS service with speeds of at least 6 Mbps down, priced at \$49.95 per month. As previously reported, Comcast satisfied the Broadband Consent Decree requirement in full by offering Performance Starter through February 21, 2015, though the Company continues to offer the tier. ¹¹

2. Visibly Offer and Actively Market Retail Standalone BIAS

Obligation to visibly offer and actively market standalone BIAS: Comcast regularly promotes standalone BIAS in its general marketing efforts, referencing the standalone BIAS options in advertisements and other promotional materials. As required by this Condition, Comcast supplemented its normal practices during the Reporting Period with a major advertising campaign for its standalone BIAS offerings. Comcast has also implemented safeguards designed to ensure that standalone BIAS services are actively marketed, including a requirement that

-

In the Matter of Comcast Corporation, File No.: EB-11-IH-0163, Consent Decree (rel. Jun. 27, 2012) ("Broadband Consent Decree"), at ¶ 15. Most of the substantive provisions of the Broadband Consent Decree, including the requirement to offer Performance Starter, expired on Feb. 21, 2015.

information concerning standalone BIAS offerings, including Performance Starter, is included on Comcast product lists and in ordering systems at Comcast retail locations. Comcast also maintains a linkable web page devoted exclusively to describing (*e.g.*, price and speed) and permitting online purchase of all retail standalone BIAS offerings, including Performance Starter, by both new and existing Comcast customers. As in previous years, an increasing percentage of the standalone BIAS customers are signing up online.

3. BIAS Annual Report

Requirement that Comcast file a report regarding its compliance with Condition IV.D.1 annually and upon any standalone BIAS price adjustment: Comcast filed the reports required by this Condition. 12

E. Other BIAS Conditions

1-2. Specialized Service Requirements

Requirements that apply should Comcast offer a "Specialized Service" that includes its own or third-party content: Comcast is not offering any "Specialized Service" as described in Condition IV.E.

3. 12 Mbps Offering

Obligation to offer a BIAS tier of at least 12 Mbps down in all Comcast DOCSIS 3.0 markets: A "Performance" service tier with at least 12 Mbps download speeds continues to be offered across Comcast's entire DOCSIS 3.0 footprint. The downstream speed of the Performance tier has been increased to at least 25 Mbps in Comcast's top 30 markets – and, in fact, each of those same markets offers service with downstream speed of at least 150 Mbps, and 29 out of the 30 markets offer Comcast's Gigabit Pro 2 Gbps service.

F. "Specialized Service" on Comcast Set-Top Boxes ("STBs")

Provision noting that the requirements of Condition IV.E.1 and 2 will apply should Comcast STBs enable access to a "Specialized Service": Because Comcast is not offering any "Specialized Service" as described in Condition IV.E, this Condition does not apply.

G. Unfair Practices

Prohibition on unfair methods of competition, retaliation, and improper influence: The requirements of this Condition are consistent with the Company's ordinary business practices and have been fully complied with.

_

Letters from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 filed on Apr. 8, 2016; May 17, 2016; Jun. 13, 2016; Aug. 30, 2016; Nov. 8, 2016; Dec. 8, 2016; and Jan. 11, 2017.

V. NOTICE OF CONDITIONS

Requirement that the Company provide notice of the Conditions to OVDs, MVPDs, and video programming vendors in connection with expiring agreements or new requests: In response to new requests for carriage or programming, or expiring agreements, the Company provides the requesting party with a copy of the Conditions by e-mail. During the Reporting Period, NBCUniversal distributed over 500 notices of Conditions to MVPDs, video programming vendors, and OVDs, and Comcast distributed nearly 100 notices to programmers.

VI. REPLACEMENT OF PRIOR CONDITIONS

Provision replacing Adelphia arbitration procedures: This Condition is administrative in nature.

VII. COMMERCIAL ARBITRATION REMEDY

Procedures for arbitration: This Condition is administrative in nature; however, to the extent that the Company has engaged in arbitration pursuant to the Conditions to date, these procedures have governed and been followed.

VIII. MODIFICATIONS TO AAA RULES FOR ARBITRATION

Modification of the American Arbitration Association's rules: This Condition is administrative in nature.

IX. BROADCAST CONDITIONS

Requirement to comply with Sections 2, 3, and 7 of the June 3, 2010 Agreement between Comcast Corporation, NBC Universal, Inc., and the NBC Television Affiliates (the "NBC Affiliates Agreement"), and with all of the terms of the June 21, 2010 Agreement between Comcast Corporation and the ABC Television Affiliates Association, the CBS Television Network Affiliates Association, and the FBC Television Affiliates Association (the "ABC, CBS and Fox Affiliates Agreement"):

The Company abides by its affiliate market integrity obligations, and it has maintained major sporting events on the NBC Network, including NFL *Sunday Night Football* (the No. 1 show in primetime for adults 18-49 for six consecutive fall TV seasons). NBC also aired five *Thursday Night Football* games, which tied as broadcast's No. 2 primetime series, ¹³ plus 12 NHL games and seven NASCAR Cup races. The network also aired over 206.5 hours of programming from the Rio Olympics across primetime, daytime, and late night. The Company's substantial investment in sports rights has ensured that NBC will be the broadcast home of the Olympics through 2032.

⁻

¹³ Press Release, NBC Delivers Season of Historic Ratings Dominance, http://corporate.com/news-information/news-feed/nbc-delivers-a-season-of-historic-ratings-dominance (Jan. 18, 2017).

Further, the Company maintains separation between its cable and broadcast businesses with respect to NBCUniversal's negotiation of affiliation agreements and retransmission consent agreements with non-Comcast MVPDs, and Comcast's negotiations of retransmission consent agreements with broadcasters.

X. **DIVERSITY CONDITIONS**

Over the past six years, Comcast and NBCUniversal have taken significant steps toward becoming the most successful model of diversity and inclusion in the communications and entertainment industry. The Company's strategic approaches and detailed plans are designed to achieve and build upon the diversity and inclusion initiatives in five key focus areas that cut across all aspects of the business: Governance, Workforce, Procurement, Programming, and Community Investment. Detailed facts and figures spanning these five focus areas are included in "Our Foundation for Innovation," the Company's five-year Diversity and Inclusion Progress Report released in July 2016. This voluntary, best-in-class publication describes the Company's diversity and inclusion achievements between year-end 2010 and year-end 2015.¹⁴

The Company was also honored to be named as one of Fortune magazine's 50 Best Workplaces for Diversity. 15 Determined by employee feedback and the ethnic and gender composition of the Company's workforce, this first-time honor (ranking 12th nationwide) is a reflection of the progress that the Company is making in the area of diversity, and the pride our employees have in the inclusive culture they have all helped to create.

In particular, the Company has been a demonstrated leader in supporting diverse programming and remains committed to delivering programming that reflects the diverse interests of its customers across all platforms, including linear channels, VOD, and Online. Comcast carries more than 100 networks geared toward diverse audiences, including multiple networks owned or operated by minorities. Comcast is proud to be one of the nation's largest providers of Latino content, with a television distribution platform that offers more than 60 Latino networks, in both Spanish and English, to its customers. In addition to the more than 20 independent networks launched since 2011, Comcast continues to expand diverse and multicultural programming by launching Sling TV on the X1 platform, giving Comcast's X1 customers access to more than 320 multicultural networks in 21 languages. ¹⁶

Comcast also has expanded the quality and quantity of diverse programming available through its VOD and Online platforms to nearly 16,000 combined hours by year-end 2016, an increase of more than 1,600% over year-end 2010. The Company's comprehensive diverse

See http://corporate.comcast.com/images/2016-Diversity-and-Inclusion-Report.pdf.

See http://fortune.com/best-workplaces-for-diversity/.

¹⁶ Press Release, Comcast Corp., Comcast Boosts Multicultural Programming with the Launch of Sling TV on X1, http://corporate.com/cast.com/news-information/news-feed/sling-tv-tolaunch-on-comcast-x1-platform (Nov. 22, 2016).

content offerings are available on the XFINITY VOD platform, where customers can access dedicated folders for African American, Latino, LGBT, and International television and film, including popular collections like Cinema Asian America. In addition, Comcast offers first-of-their-kind, one-stop Internet destinations for entertainment features and news geared towards diverse audiences. ¹⁷ Each of these microsites features audience-specific news, blogs, and XFINITY TV programming, including award-winning movies, TV shows, celebrity interviews, behind-the-scenes footage and entertainment news featuring entertainers, artists, and historical figures.

The Company continues to invest hundreds of millions of dollars in Telemundo. The Telemundo Network delivered the highest primetime ratings in its history among total viewers and key adult demos, topping Univision for a historic TV ratings win. Telemundo continues to draw bigger audiences through a multi-platform approach that includes investments in news, original programming, including its serialized dramas and action-packed "Super SeriesTM" and sports, including exclusive U.S. Spanish-language TV rights to air the FIFA World Cup competitions through 2026. Telemundo and NBC Universo also aired an unprecedented 278 hours of Spanish language Olympic programming during the Rio 2016 games. NBCUniversal Telemundo Enterprises launched a feature film division, Telemundo Films, which will develop, produce and market features for both English- and Spanish-speaking audiences.

1. Telemundo Multicast Channel

Requirement that the Company launch a new multicast channel on its Telemundo Station Group stations by January 28, 2012, and make this programming available to Telemundo affiliates: As previously reported, this obligation has been completed.

2-3. Telemundo and mun2 Programming on VOD and Online

Requirement that the Company use its Video on Demand ("VOD") and Online platforms to feature Telemundo programming and increase the number of Telemundo and mun2 VOD programming choices from 35 to 100 choices within 12 months and by an additional 200 choices

¹⁷ XFINITY offers the following microsites: Black Film & TV (http://my.xfinity.com/celebrate-black-tv), Latino TV (http://my.xfinity.com/latino), Asia American Film & TV (http://my.xfinity.com/latino) and LGBT (http://my.xfinity.com/lgbt).

V. Villafañe, New King of Spanish-Language Primetime TV? Telemundo Dethrones Univision as No. 1 for 9 Weeks, Forbes, http://www.forbes.com/sites/veronicavillafane/2016/09/20/new-king-of-spanish-language-primetime-tv-telemundo-dethrones-univision-as-no-1-for-9-weeks/#624ea5f51021 (Sep. 20, 2016); T. Maglio, Telemundo Tops Univision for Historic TV Ratings Win, The Wrap, http://www.thewrap.com/telemundo-univision-tv-ratings/ (Jul. 27, 2016).

M. Galuppo, NBCU Telemundo Launches Feature Film Operation, Sets First Project with "Lowriders," The Hollywood Reporter, http://www.hollywoodreporter.com/news/nbcu-telemundo-launch-feature-film-operation-sets-first-project-lowriders-968407 (Jan. 26, 2017).

within 3 years: As previously reported, this obligation has been completed.

4. New Weekly Business Program

Obligation to work with an independent producer to produce a new weekly business news program: As previously reported, this obligation has been completed.

5. Independent Programming Reports

Requirement to file quarterly reports concerning the independent programming aired by the Company's owned or controlled stations and programming networks: This five-year obligation was completed with the final required report filed for the first quarter of 2016.²⁰ The reports were posted and remain available on the Corporate Website, and are also accessible through a link posted on the homepage of each reporting station or network.

XI. LOCALISM

1. News, Public Affairs, and Other Local Public Interest Programming

Obligation to "preserve and enrich the output of local news, local public affairs, and other public interest programming" through the use of certain windows on the NBCUniversal-owned stations, time slots on the cable channels, and Comcast VOD and Online platforms: Beyond the considerable, long-term investments in local news operations summarized in previous annual reports, the Company continues to preserve and enhance local news by making strategic investments in its owned stations (*see* subsections XI.1.b and c below) and through innovations like the EveryBlock hyper-local news platform.²¹

a. <u>Preservation of Current Levels of NBC and Telemundo News and Information Programming</u>

Prohibition on reduction of current level of news and information programming on the stations that comprise the NBC Owned Television Stations and Telemundo Station Group divisions: As previously reported, this obligation has been completed.

b. Increased Investment in NBC Local News

Obligation to expand newscasts at the stations that comprise the NBC Owned Television Stations division: As previously reported, this obligation has been completed. The tremendous growth of investment in the newscasts of the NBC Owned Television Stations was described in prior reports and has continued apace.

_

²⁰ MB Docket No. 10-56 (Apr. 14, 2016).

EveryBlock is a hyper-local, free online service and mobile app that aggregates and curates content at the neighborhood level. EveryBlock is currently available in Chicago, Fresno, Hialeah, Philadelphia, Houston, Boston, Denver, Medford, and Nashville.

c. Increased Investment in Telemundo Local News

Obligation to increase investment in the Telemundo Station Group's locally-produced newscasts, over five years: As previously reported, this obligation has been completed. The tremendous growth of investment in the newscasts of the Telemundo Owned Television Stations was described in prior reports and has continued apace.

2-3. 1,000 Hours of Additional Local News and Information Programming

a. NBC Owned Television Stations

Requirement that the stations that comprise the NBC Owned Television Stations division produce an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms: This obligation has been completed.

b. Telemundo Station Group

Requirement that at least six of the stations that comprise the Telemundo Station Group division collectively produce an additional 1,000 hours per year of original, local news and information programming: This obligation has been completed.

4. News and Information Programming Reports

Requirement to file quarterly reports regarding the news and information programming aired on the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions: This five-year obligation was completed with the final required report filed for the first quarter of 2016. The reports were posted and remain available on the Corporate Website, and are also accessible through a link posted on the homepage of each reporting station or network.

5. Non-Profit News Partners

Requirement that half of the 10 stations that comprise the NBC Owned Television Stations division establish cooperative arrangements with locally focused non-profit news organizations: As previously reported, this obligation has been completed.

6. More VOD Choices at No Additional Charge

Obligation to continue providing at least 20,000 VOD choices at no additional charge to Comcast customers within three years of the Closing of the Transaction: As previously reported, this obligation has been completed.

7. Broadcast Content on VOD

Obligation to make available certain broadcast content at no additional charge on Comcast's VOD service for three years after the Closing of the Transaction: As previously reported, this obligation has been completed.

XII. JOURNALISTIC INDEPENDENCE

Requirement that the Company continue NBCUniversal's policy of journalistic independence: Comcast maintains a policy to ensure the journalistic independence of the news programming organizations of all NBCUniversal networks and stations. NBCUniversal's policy of journalistic independence remains in effect and is overseen by David McCormick, NBCUniversal News Ombudsman and Senior Vice President, Standards, NBCUniversal News Group, and supported by Kevin Keeshan, Senior Vice President, News Content and Standards of the NBC Owned Television Stations division and Ozzie Martinez, Senior Vice President of News and Standards for the Telemundo Stations Group.

XIII. CHILDREN'S PROGRAMMING

1. Additional Children's VOD and E/I Programming

- a-b. Requirement to add an additional 500 VOD programming choices appealing to children and families to Comcast's central VOD storage facilities by year-one and an additional 1,000 choices by year-three: As previously reported, this obligation has been completed.
- c. Obligation to provide one additional hour per week of children's "core" E/I programming: As previously reported, this obligation has been completed.

2. Ratings Icons and Parental Controls

a. <u>Improved Ratings Icons</u>

Requirement that the Company provide clear and understandable on-screen TV ratings information for all original entertainment programming on its broadcast and cable networks in compliance with the cable industry's best-practice standards: As previously reported, this obligation has been completed.

b. <u>Improved Parental Controls</u>

Requirement that the Company provide improved parental controls for Comcast program guides and STB applications: As previously reported, this obligation has been completed.

c. Parental Dashboard

Obligation to provide a parental dashboard that places all parental controls in one place, and white listing capabilities on tru2way boxes, by the end of 2013: As previously reported, this obligation has been completed.

d. Blocking Capabilities of IP-based STBs

Obligations to provide parental controls and blocking capabilities for IP-based STBs: Comcast has not commercially deployed IP-based STBs, so the obligations in this subsection have not been triggered.

e. Online Ratings Icons

Obligation to include program ratings information in the Company's produced or licensed programming that the NBCUniversal networks provide to NBC.com, to other NBCUniversal websites, and to Hulu.com: As previously reported, this obligation has been completed.

3. Partnership with Common Sense Media ("CSM")

Requirement to expand the Company's partnership with organizations offering enhanced information to help guide family viewing decisions: The Company continues to use CSM materials as part of its efforts to provide parents with information to help them make educated viewing decisions for their families. As previously reported, CSM content – including thousands of review videos, tip videos, ratings, and recommendations – is integrated into Comcast's VOD service and promoted on XFINITYTV.com. On the X1 platform (including the XFINITY Stream mobile app), families can use CSM ratings to filter age-appropriate content for live programming. Comcast continues to expand Kids Zone, a feature on X1 that gives parents extra peace of mind by offering a safe and secure experience for children to explore their favorite content and discover new programming. When in Kids Zone, children can browse all on their own, selecting live programming, free VOD content, movies, and TV shows purchased through the XFINITY Digital Store, as well as any saved programming on the DVR – all of which has either been flagged by the network or studio as children's programming, or deemed ageappropriate for children 12 and under by CSM. This year, Comcast started offering a Spanishlanguage version of "Kids Zone" that also features age-appropriate TV show and movies rated by CSM.22

4-5. Interactive Advertising

Restrictions on the use of "Interactive Advertising" in programming produced primarily for children: As previously reported, this obligation has been completed.

J. Baumgartner, Comcast X1 Offers "Kids Zone" in Spanish, Multichannel News, http://www.multichannel.com/news/content/comcast-x1-offers-kids-zone-spanish/404705 (May 5, 2016).

6. PSAs

Requirement that the Company, for five years, provide \$15 million worth of PSAs per year on various public interest topics: As previously reported, this obligation has been completed.

XIV. PEG CONDITIONS

1. No Migration to Digital Delivery

Prohibition on migrating PEG (Public, Educational, and Governmental) channels to digital delivery on any Comcast cable system until the system has converted to all-digital distribution: During the Reporting Period, Comcast did not migrate any PEG channels to digital delivery on any system that has not converted to all-digital distribution.

2. PEG Carriage on Digital Starter

Requirement that Comcast carry all PEG channels on its digital starter (D0) tier: During the Reporting Period, Comcast maintained carriage of all PEG channels on its digital starter (D0) tier or on an equivalent tier that reaches 85% of subscribers on the applicable Comcast system.

3. Quality of PEG Delivery

Prohibition on changing the method of delivery of PEG channels that results in a material degradation of signal quality or impairment of viewer reception: During the Reporting Period, Comcast did not implement any changes in the method of delivery of PEG channels that resulted in a material degradation of signal quality or impairment of viewer reception.

4. PEG Pilot Program

Obligation to develop a platform to host PEG content on VOD and online: As previously reported, this obligation has been completed.

XV. NCE and LOCAL NCE

Requirements with respect to Comcast's carriage of Qualified Noncommercial Educational ("NCE") Stations and Qualified Local Noncommercial Educational ("Local NCE") Stations: During the Reporting Period, no NCE or Local NCE stations carried on Comcast cable systems relinquished their broadcast spectrum.

XVI. BROADBAND DEPLOYMENT AND ADOPTION

1. Broadband Footprint Expansion

a. <u>1,500-mile Expansion</u>

Requirement that Comcast expand its broadband network by at least 1,500 miles per year for three years and extend its broadband plant to approximately 400,000 additional homes: As previously reported, this obligation has been completed.

b. Internet Service Upgrades to Rural Communities

Requirement to upgrade Internet service to at least six additional rural communities in 2011: As previously reported, this obligation has been completed.

c. Additional Courtesy Accounts

Requirement to provide an additional 600 Comcast courtesy video and BIAS account locations over three years at a rate of 200 additional locations per year: As previously reported, this obligation has been completed.

2. Broadband Adoption – *Internet Essentials*, the Comcast Broadband Opportunity Program

Requirement to launch the Comcast Broadband Opportunity Program: As previously reported, although this Condition was satisfied in June 2014, Comcast has extended the service offering indefinitely.

XVII. GENERAL

Prohibition on the Company entering into any agreement or arrangement or taking any other action that has the purpose or effect of impairing the effectiveness of these Conditions: The Transaction Compliance Team and the Company's internal review process are in place to oversee compliance with this Condition.

XVIII. VIOLATIONS

Provision stating that any violation of the Conditions shall be a violation of the Transaction Order: This section is informational only.

XIX. REPORTING REQUIREMENTS

Requirement that the Company report to the Commission annually regarding compliance with these Conditions and post each such report on its website: The filing of this Annual Report satisfies this Condition for the sixth year. A copy is available as of today on the Corporate Website.

XX. TERM

Provision setting general seven-year term for the Conditions: This section is informational only.